GOVERNMENT OF INDIA
HOUSING AND URBAN POVERTY ALLEVIATION
LOK SABHA

UNSTARRED QUESTION NO:1207
ANSWERED ON:07.03.2008
TAKE OUT FINANCE-CUM-PROJECT LOAN
Nikhil Kumar Shri

Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:

(a) whether the Government has received reports that HUDCO has been indulged in irregularities in sanctioning loans worth crores of rupees under the `Take out Finance-cum-project Loan`;

(b) if so, the facts and details thereof;

(c) whether the HUDCO officials granted loans to several ineligible companies whose records are dubious and financial viability doubtful;

(d) if so, the factual position thereof; and

(e) the steps taken by the Government against the HUDCO officials?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION(KUMARI SELJA)

(a)to(e): The Central Vigilance Commission on the directions of the Supreme Court in a Public Interest Litigation (Writ Petition (Civil) No. 573/2003) filed by Centre for Public Interest Litigation against Housing & Urban Development Corporation Ltd.(HUDCO) & others had conducted an enquiry against alleged irregularities committed by the Housing & Urban Development Corporation,in the matter of sanctioning of loans and making investments.The Commission recommended appropriate action against the officers mif found responsible for irregularities.The Supreme Court thereafter directed the Union of India to look into the report and take appropriate action.Accordingly,an Action Taken Report has been filed on behalf of the Union of India in the Supreme Court.The matter is subjudice.